(c) to (f) The income from voluntary retirement scheme including of employees of banking companies is already exempt upto Rs. 5 lakhs subject to the conditions laid down in Rule 2BA of the Income-tax Rules. There is no proposal under consideration to increase this Limit.

**Misuse of export sops**

1400. SHRIMATI N.P. DURGA:
SHRI RAVULA CHANDRA SEKAR REDDY:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether export sops are being increasingly misused; and

(b) if so, the steps taken to tighten inspection of exports and imports from/to free ports, especially from Dubai, Hong Kong and Singapore?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINEE N. RAMACHANDRAN): (a) and (b) Some, cases of misuse by availment of unentitled export benefits/ incentives have been noticed. Safeguards have already been inbuilt in each Export promotion Scheme to prevent abuse/misuse. Thorough scrutiny of Export/Import documents from/to sensitive destinations is done by Customs and goods are examined carefully to prevent availment of unintended export benefits. Officers have been instructed to be vigilant so as to prevent misuse of Export Promotion Schemes.

**Fiscal position of States**

1401. SHRI RAMA MUNI REDDY SIRIGIREDDY:
SHRI SATISH PRADHAN:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that situation has come to take steps to tackle the problem of deteriorating financial position of States;

(b) the reasons behind this pathetic condition of the States finances, apart from borrowings from all quarters;

(c) whether it is a fact that the Finance Minister is going to have a